



Budget Alignment

Hispanic Ad Spend Allocation Report 2015

Maximizing Impact in the Hispanic Market

April 29, 2015



Methodology

Advertising spend data including over 340K parent companies was collected by Nielsen Monitor Plus in English and Spanish/Bilingual media. This data was analyzed by Santiago Solutions Group. SSG divided companies into 5 Tiers according to the percent allocation to Spanish Media corresponding to previous AHAA Ad Spend Allocation reports.

- ✓ Best-in-Class (more than 14.2%)
- ✓ Leaders (6.4%-14.2%)
- ✓ Followers (3.6%-6.3%)
- ✓ Laggards (1.0%-3.5%)
- ✓ On-The-Sidelines (Less than 1%)

Moreover, SSG also segmented the Top 500 Overall Spending (English + Spanish) Companies. This was done for Multiple years 2010-2014, thus permitting the analysis of trends in the marketplace.

| English Media | Spanish Media |
|-------------------------|----------------------------|
| Cable TV | Cable TV |
| FSI Coupon | FSI Coupon |
| Local Mag | Local Magazine |
| Local Newspaper | Local Newspaper |
| Local Sunday Supplement | Local Sunday Supplement |
| National Magazine | National Magazine |
| National Newspaper | National Newspaper |
| National Sunday | National Sunday Supplement |
| Network Radio | Network Radio |
| Network TV | Network TV |
| Spot Radio | Spanish Language CableTV |
| Spot TV | Spanish Language NetworkTV |
| Syndicated TV | Spot Radio |
| | SpotTV |
| | Syndicated TV |

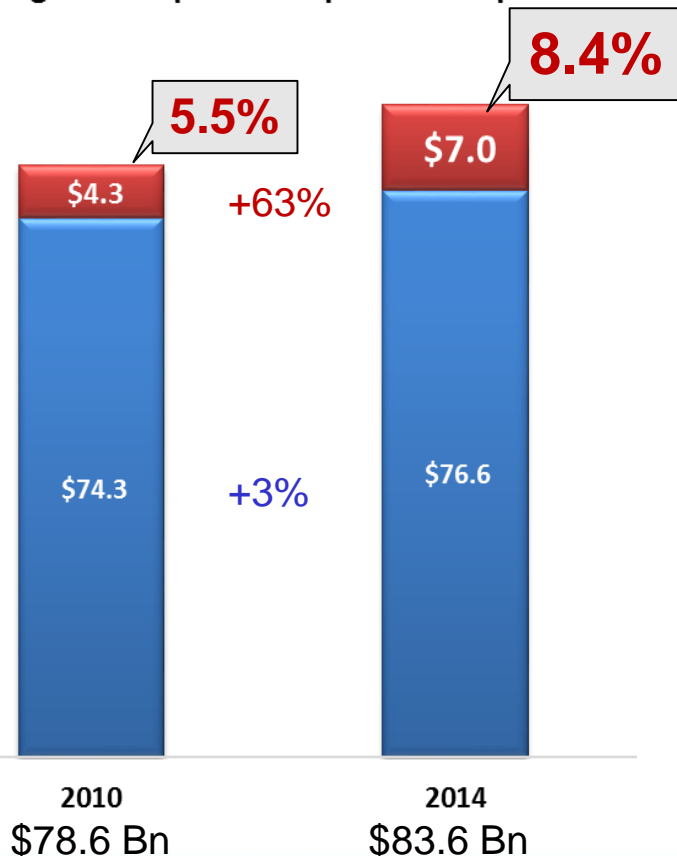
| Excluded English Media | Excluded Spanish Media |
|------------------------|------------------------|
| B2B | B2B |
| National Internet | National Internet |
| Outdoor | Outdoor |
| National Cinemal | |
| Regional Cinema | |



Top 500 Advertisers Increased Hispanic Media Spend 63% vs. 3% in English Ad Spend

Ad Spend by Media Language

■ English Ad Spend ■ Spanish Ad Spend

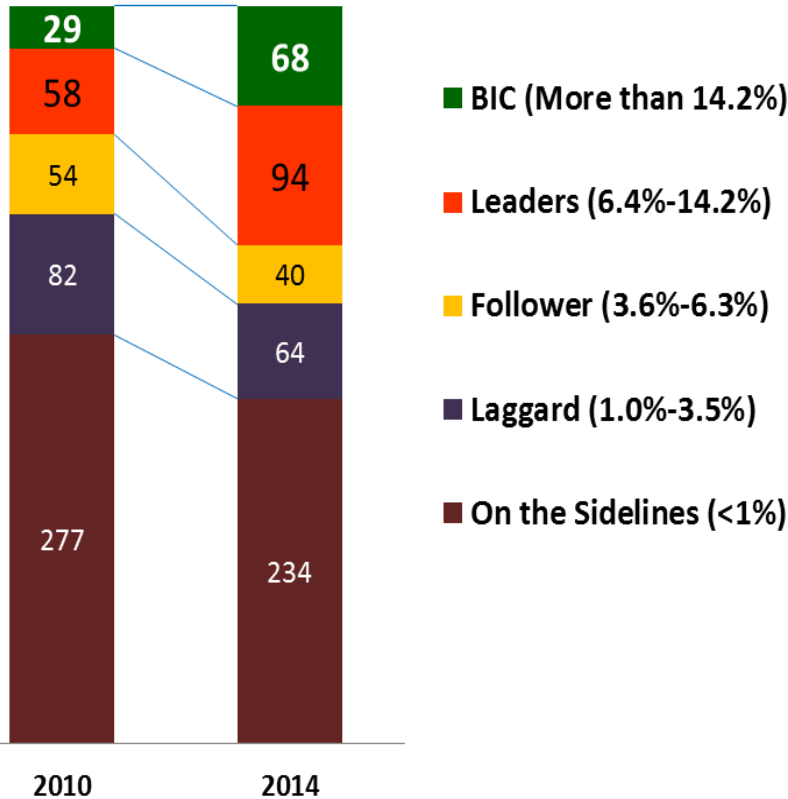


- While overall Ad spend among the top 500 advertisers increased by **6%** from **\$78.6B** to **\$83.6B** from 2010 to 2014, marketers made a steep increase in Hispanic Ad Spend, jumping **63%** from **\$4.3B** to **\$7.1B**.
- Hispanic allocation increased to **8.4%** of all US top 500 marketers ad spend vs. **5.5%** in 2010.
- English Media Ad Spend increased by **3%** from **\$74.3B** in **2010** to **\$76.6B** to 2014
 - The English share of ad spend among the top 500 US marketers is down to **91.6%** in 2014 vs. **94.5%** in 2010.



Trends by Hispanic Allocation Tiers

No. Companies by Hispanic Allocation Tiers among Overall Top 500 Advertisers
2010-2014



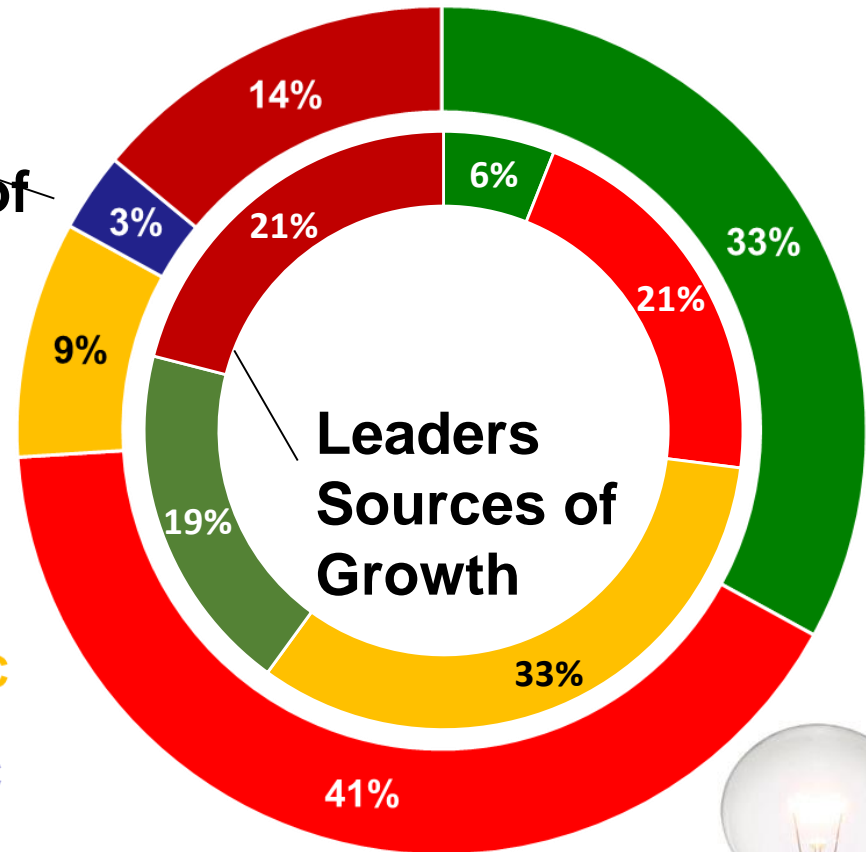
- ✓ From 2010 to 2014, the number of companies in the Best-In-Class (BIC) and Leader allocation tiers among top 500 advertisers doubled:
 - the number of companies in the BIC tier increased **134%**, **jumping** from **29** to **68** companies
 - The number of companies in the Leader tier increased **71%** from **58** to **94** companies
- ✓ At the same time, the number of companies in the Follower, Laggard, and On-The-Sidelines tiers among the top 500 advertisers decreased by almost **20%**:
 - The number of companies in the Follower tier decreased by **26%** from 54 to 40 companies
 - The Laggard tier decreased by **22%** from 82 to 64 companies
 - On-The-Sidelines companies decreased by **16%** from 277 to 234 companies



Where Are B-I-C & Leaders Coming From?

Sources of 2014 Growth

Best-In-Class Sources of Growth



- BIC-->BIC
- Leaders-->BIC
- Followers --> BIC
- Laggards --> BIC
- On the Sidelines --> BIC



Source: 2010-2014 Nielsen Monitor Plus data; Santiago Solutions Group analysis & interpretation for AHAA: The Voice Of Hispanic Marketing

Implications

- The market is growing fast and marketers are stepping up their investments in dedicated Hispanic media.
 - Despite confusion on how to apply Total Market strategies properly between dedicated in-language/in-culture and cross-cultural English tactics, market leaders have increased their focus in Spanish & Bilingual media.
- There is much more Hispanic growth opportunity for all...
 - Especially for 300 Followers to On-The-Sidelines advertisers whom continue to 'starve' their Hispanic dedicated efforts and by consequence short-change their growth potential.



Log into AHAA members section for
full dataset

